



SHERWOOD CITY COUNCIL MEETING MINUTES
22560 SW Pine St., Sherwood, Or
February 4, 2014

EXECUTIVE SESSION

1. **CALL TO ORDER:** Mayor Middleton called the meeting to order at 6:00 pm.
2. **COUNCIL PRESENT:** Mayor Bill Middleton, Council President Linda Henderson, Councilors Krisanna Clark, Bill Butterfield and Matt Langer. Councilor Robyn Folsom arrived at 6:05 pm. Councilor Dave Grant was absent.
3. **STAFF AND LEGAL COUNSEL PRESENT:** City Manager Joseph Gall, City Recorder Sylvia Murphy and City Attorney Pam Beery.
4. **TOPICS:**
 - A. Performance Evaluation of City Recorder, Pursuant to ORS 192.660(2)(i).

5. **ADJOURN:**

Mayor Middleton adjourned the executive session at 6:10 pm and convened to a work session.

WORK SESSION

1. **CALL TO ORDER:** Mayor Middleton called the meeting to order at 6:15 pm.
2. **COUNCIL PRESENT:** Mayor Bill Middleton, Council President Linda Henderson, Councilors Robyn Folsom, Krisanna Clark, Bill Butterfield, and Matt Langer. Councilor Dave Grant was absent.
3. **STAFF AND LEGAL COUNSEL PRESENT:** Joseph Gall City Manager, Tom Pessemier Assistant City Manager, Julia Hajduk Community Development Director, Julie Blums Finance Director, Bob Galati City Engineer, Colleen Resch Administrative Assistant and Sylvia Murphy City Recorder. City Attorney Pam Beery.
4. **Transportation SDC's**

Community Development Director Julia Hajduk gave a presentation on Transportation SDC's, (see record, Exhibit A). She noted that the County traffic impact fee (TIF) was adopted by voters in 1990 and was assessed on new development at the time of building permits, but only covered a small percentage of actual impact and the County capped the rates for certain uses. She stated the City completed an

update of the TSP in 2005 and identified necessary projects and potential funding costs. She said it was clear that existing resources did not address the identified need so the City developed a methodology and adopted the City Transportation SDC in 2006 with the intent to make up the difference between the projected need and the Washington County TIF so that development paid 100% of their share. She explained they took the projected need minus the TIF to determine the Sherwood SDC. Tom Pessemier said the projected needs were identified in the Transportation Plan.

She explained that shortly after the SDC was adopted, a 25% discount was implemented across the board in 2008 so we could be more competitive since we are the only city in the County with SDC fees. She stated Washington County voters approved Measure No. 34-164 establishing a Transportation Development Tax (TDT). She said the TDT replaced the TIF and increased the previous TIF rates but due to economic conditions, the County implemented an immediate discount with the intent to phase in over 4 years. She stated the final phase has now been delayed an additional year to 2015. She commented that once fully phased-in, the TDT will more than double the rates (compared to the TIF) developers pay for the impact new development has on the transportation system. She noted because the TDT more than doubled the TIF rates, one could assume that the Sherwood SDC could go down by the same amount but the issue is complicated because certain uses in the TDT and TIF were "capped" which effectively reduced the amount due and initially resulted in higher proportion of local SDC in certain categories and the City's 25% reduction was a factor. Discussion of the trip caps followed.

She explained there are 85 ITE code categories identified in the local transportation SDC so they categorized them into 5 general categories for simplification: residential, institutional/medical, commercial, office, and industrial and for estimation they took out certain uses that are unlikely and distort the averages (eg truck terminal and state motor vehicle department). She referred to a table showing the total percentage of actual costs being collected by the TDT and SDC for the 5 general categories and the adjustments that need to be made to cover 100% of the costs and gave the example of the residential category and explained that we are collecting more than the actual costs but on commercial we are still not collecting 100% of the amount.

She suggested a few things for the Council to consider and noted that the Council and staff routinely hear from developers that our fees are higher than most neighboring jurisdictions and this has the potential to impact economic development. She stated the City is undertaking an update to the TSP which could result in changes (+or-) to the overall transportation costs. She also commented that anytime changes are made to fees, it has the potential to affect land values and one person benefits and the other loses. She said reductions in SDC will have effects on credits already banked and staff may need to come back with a mechanism to transfer banked credits to TDT credits. She noted that SDC and TDT credits are calculated differently so it is not a simple 1 to 1 transfer so that will need to be considered.

She said staff is recommending lowering SDCs, effective July 1, 2014 and provided three options to consider. She first suggested an across the board reduction of 35%. She suggested an adjustment by category: reduce residential 54%, reduce institutional 12%, increase commercial 6%, reduce office 32%, and reduce industrial 37%. She suggested reviewing each ITE code and adjusting them accordingly. She discussed the pros of the first option and stated it would be easier to administer and implement and there would be economic development benefits by making assessments closer to what other cities charge. She said the downside is residential, which will still be contributing more than 100% and commercial is not covering their entire share. She commented on the pros of the second option and said

it is generally easy to administer and implement and allows reductions (or increases) to be more closely tied to actual costs and impacts. She said the downside is it provides less of an economic development relief especially for uses where the TDT capped trips and the local SDC was intended to make up the difference and could result in an increase in commercial SDC's. She discussed the pros of option 3 and said this would ensure each category contributes 100% of their share of costs. She said the downside is it would use complex calculations and is not a simple fix, trip caps in TDT will result in excessive local fees in many categories, and it would have an impact on economic development and our competitiveness in the region. Discussion followed using the options on various categories particularly non trip capped such as single family detached homes versus trip capped such as hotel/motel and convenience stores.

Mayor Middleton clarified that Sherwood is the only city in Washington County that charges SDC. Tom said that is correct.

Discussion followed regarding the hotel scenario and Mayor Middleton asked why we don't eliminate the SDC's and have a hotel tax. Julia reminded the Council that these are extreme cases with trip caps.

Councilor Folsom said that in 2006 when this was implemented we had a problem with explosive growth and development and no way to fund the transportation upgrades and projects that were needed and the County TDT was not doing much so we had to impose an SDC to cover the projects. She said now we are at a point where we need to review, particularly concerning hotels.

Julia recommended the first option as it is fair across the board and said staff needs direction from the Council to do the SDC reduction by April or May with an effective date of July 1, 2014. She said once the TSP is updated staff will work on a methodology.

Mayor Middleton said he has a problem with this and would leave the residential and institutional the same and suggested reducing others to encourage economic development to be more competitive. Tom said they are giving this to Council to have a policy discussion and heard the Mayors concerns about competitiveness and suggested a discussion with the City attorneys regarding selectively adjusting rates. He also noted that if we drop rates too far we will have to remove some of the transportation projects we have planned.

Councilor Folsom asked how the other communities that do not have SDC's manage to fund their transportation projects. Tom said the TIF at the time was so low compared to need and Sherwood was growing so fast that their needs were significantly more than other communities. He said we still have the impacts of that growth.

Mayor Middleton asked Tom to provide a list of projects that would not get funded if they removed the SDCs from the commercial category. Tom said he would need specific reductions to determine the effect on projects. Tom reminded the Council that with the staff recommendation of a 35% reduction of the SDCs all transportation projects will still be funded but if you reduce by more they may have to cut some projects. Council discussed possibly raising the SDCs in some categories and significantly reducing in others to improve economic development and they were advised against this as it is showing preferential treatment.

City Attorney Pam Beery commented that from her experience in other jurisdictions without SDCs the transportation dollars are scarce. She commended staff for having the discussion and realizing that the model is out of whack and the need to correct it now as the TSP is still 14 months away. She advised against preferential treatment.

Mayor Middleton said it would make sense to leave the residential and institutional categories the way they are and reduce the others to encourage economic development. Ms. Beery said she would look into it but did not believe you could selectively reduce SDCs.

Julia asked for direction on what information the Council would like in the future. Ms. Beery reminded the Council that changes could not be arbitrary or capricious. Councilor Langer suggested that staff provide more scenarios of option 1 and with larger reductions in SDCs and the effect that would have on the transportation projects. Julia agreed to come back with more scenarios. Council President Henderson asked for a summary of what SDCs were collected in 2013. Councilor Langer asked staff to provide some sort of economic development tool. Tom said they will look at the next two years as the wild card, when the County will start paying the full TDT.

Julia commented that at an upcoming Washington County Coordinating Meeting, Mayor Middleton will be asked to weigh in on the issue of the County TDT and she suggested that the City of Sherwood encourage the County to implement the full TDT to eliminate the disparity and uncertainty we face.

Mayor Middleton adjourned the work session at 7:02 pm and convened to the regular Council meeting.

REGULAR CITY COUNCIL MEETING

- 1. CALL TO ORDER:** Mayor Middleton called the meeting to order at 7:10 pm.
- 2. PLEDGE OF ALLEGIANCE:**
- 3. COUNCIL PRESENT:** Mayor Bill Middleton, Council President Linda Henderson, Councilors Robyn Folsom, Krisanna Clark, Bill Butterfield and Matt Langer. Councilor Dave Grant was absent.
- 4. STAFF AND LEGAL COUNSEL PRESENT:** Joseph Gall City Manager, Tom Pessemier Assistant City Manager, Jeff Groth Police Chief, Julia Hajduk Community Development Director, Julie Blums Finance Director, Craig Sheldon Public Works Director, Kristen Switzer Community Services Director, Bob Galati City Engineer, Michelle Miller Senior Planner, Planning Manager Brad Kilby, Colleen Resch Administrative Assistant and Sylvia Murphy City Recorder. City Attorney Pam Beery.

Mayor Middleton stated that the agenda would be amended to remove the City Records Performance Evaluation from New Business and continue to the next meet. No objections from the Council were received.

5. CONSENT

- A. Approval of January 7, 2014 City Council Meeting Minutes**
- B. Approval of January 21, 2014 City Council Meeting Minutes**
- C. Resolution 2014-004 Appointing Jennifer Harlow to the Cultural Arts Commission**
- D. Resolution 2014-005 Appointing Ramin Rouhbakhsh to the Cultural Arts Commission**

E. Resolution 2014-006 Authorizing the City Manager to sign an Operating Agreement between the City of Sherwood and Meals On Wheels People, Inc.

MOTION: FROM COUNCILOR FOLSOM TO ADOPT THE CONSENT AGENDA, SECONDED BY COUNCIL PRESIDENT HENDERSON, MOTION PASSED 6:0, ALL PRESENT MEMBERS VOTED IN FAVOR, (COUNCILOR DAVE GRANT WAS ABSENT).

Mayor Middleton addressed the next agenda item.

6. PRESENTATIONS

A. City Audit, Rob Moody with TKW CPA's and Consultants

Mr. Moody came forward and informed Council that the audit has been filed and the process went well and commended staff for being ready and responsive. He discussed the letter to the Council dated January 31, 2014 (see record, Exhibit B) and said that it is the statement and auditing standard, SAS 1-14, which is a professional standard that requires certain communications and by providing it in writing means they have met the requirement. He said pages 3 and 4 highlight audit adjustments and they were all made and posted so he can give the Council a clean opinion on financial statements which is the highest level of assurance that they can give as an independent CPA. He noted on page 5 there are new statements coming but the one most talked about is GASB 68 which will require the City to put PERS liabilities on the face of your financial statement. He said it is not unreasonable that it may have a negative impact on the reporting of your equity for the City but not your operating. He said every organization and government is impacted by this and said this will not affect the credit reporting because it is a level playing field. He stated in terms of implementing for fiscal year 2015 there is a lot to be done. He said they are trying to introduce legislation that will allow PERS the statutory authority to generate this information and pay for it. He said there will be more information to come.

Mayor Middleton asked why the State is requiring this to be put on the budget.

Mr. Moody responded that it is not the State but a Governmental Accounting Standards Board that ruled it is a true liability that has been earned by employees and should be put there with the other liabilities.

Mr. Moody referred to the financial statements for the City and said these are your financials prepared by your staff and he only contributed the reports at the beginning and the end (see record, Exhibit C). He commented on the amount of work that goes into these reports and said they include a clean opinion which means we have done enough work to determine there are no material errors. He referred to the Management Discussion and Analysis on page 4 and said it is important and gives insight into where you were last year and where you finished this year and encouraged the Council to read this section. He said on page 72 there is a report that is required and there are 7 or 8 compliance items and this says that we had no exceptions with these items which is a compliment to staff. He referred to the URA financial statements and the explanatory letter and said they also have a clean opinion of that as well (see record, Exhibits D and E).

He commented on the other letter dated January 31, SAS 1-15 and said this is required communication when we identify an internal control weakness, which is a material weakness where it is reasonable that an internal control could appear but does not mean that it did occur (see record, Exhibit F). He said the

fact that they identified it is not the issue but what they do about it is and he feels that staff has a plan to correct this. He said they are satisfied that this will not come up again next year.

Council President Henderson referred to GASB 68, which requires us to report the unfunded PERS amount and asked if they had to put that in the budget and financial reports. Mr. Moody said no, it won't impact your budget just the amount you pay for the rates. He said this is not an operational issue but a reporting issue. She asked where we would report it. Mr. Moody said you will not report it in your financial system, just in this book as a whole liability.

Mayor Middleton addressed the next agenda item and the City Recorder read the public hearing statement.

7. PUBLIC HEARINGS

A. Ordinance 2014-001 Amending the Comprehensive Plan and Zoning Map to re-designate a parcel from General Commercial to High Density Residential

Senior Planner Michelle Miller came forward and provided a presentation to the Council, (see record, Exhibit G). She stated there are two issues before the Council and the first is a zone change on property from general commercial (GC) to high density residential (HDR). She referred to the map and said the property is located on the northwestern side of the Hwy 99W near Meinecke Way. She stated the property is 5.77 acres and relatively flat with 2.75 acres to be developed. She said it was originally part of a 3-lot minor land petition (MLP) in 2005 with the construction of the SW Meinecke intersection and roundabout. She referred to the zoning map overlay and said the surrounding properties are zoned HDR, GC as well as a lower density residential (LDR). She said the HDR that is proposed is for single family and multi-family with a density of 16.8-24 dwelling units per acre. She noted for this development it would be 46-66 units and said examples from this map of other HDR would be the Vintner Townhomes Development that is across the street, the apartments to the east and Sherwood Village. She stated to have a zone change the proposal must comply with local plans such as the TSP, the Development Code and the Comprehensive Plan and there must be an existing need for the uses and zoning proposed, the application must be timely, considering the pattern of development and other lands are not available for the use proposed area. She referred to the table comparing GC to HDR buildable land in Sherwood and noted that there are currently 130 acres of GC zoned land and 28 acres are vacant which is 22% and there are currently 121 acres of HDR zoned land within the City and 10 acres are vacant which is less than 8%. She referred to the map of vacant properties over 2 acres and stated there is no property of this size that is zoned HDR. She referred to the map of vacant GC properties and noted they are generally located along Hwy 99W near this development. She said another criterion they use for comprehensive plan amendments is consistency with the transportation planning rule and comprehensive plan policies that would effect this zone change.

She stated the comments received at the Planning Commission were generally supportive and neutral on the change from commercial to residential and felt that traffic would be less with a HDR. She said parking issues were raised and she noted that all future development must comply with our parking requirements. She said school capacity issues were raised and stated that by state law you can't mandate whether that is part of the decision making process, but they have been working closely with the School District.

She stated the Planning Commission recommended approval of the zone change and noted the site is suitable for residential over commercial zoning and saw a need for smaller lot single family attached and detached homes. She said they were supportive of findings that excluded multi-family development on this property and that was part of their recommendation but not part of the initial staff recommendation because HDR generally allows for multi-family development. She said the Planning Commission stated that the analysis showed a need for single family homes as opposed to multi-family homes. She noted that the exclusion does tie up the property so that not all of the generally allowed uses are available to the site. She referred to the contents of the packet and asked if the Council had any questions.

With no questions from the Council Mayor Middleton asked the applicant to come forward and stated they had 30 minutes to present.

Mike Cerbone a land use planner with Cardno came forward with Bill Reid an economist. He said he would speak to the zone change and why they feel it is appropriate and answer questions. He said the zone change is a bit more straight forward than the other applications before the Council this evening and said they were able to look at the Comprehensive Plan and measure things in the community in terms of what the trips from the site will be and look at the needs and aspirations of the community and set a straight forward situation for the Council to consider. He said the text amendment is up to the Council discretion and how they feel it fits in with the community. He referred to the transportation piece and said they looked at the site and analyzed it for the transportation planning role. He said the transportation planning role in the State of Oregon requires them to look at the property and assess it for what the reasonable worst case scenario for development that could occur on the site under the current zoning. He said then we look at what the reasonable worst case scenario of what could occur on the site under the proposed zoning. He said under the existing zoning it is commercial and we looked at 2.5 FAR, which is floor area ratio on the site and we considered a commercial shopping mall with a fast food restaurant tenant. He said under that approach you will have significantly more trips in and out of the system in the PM hours and AM peak hours. He said under the residential development we looked at 66 residential units on the site. He said this is the first test, if the zone change is approved is it going to break the transportation system or make it function outside of what you have anticipated in your TSP. He said under that review, it does not force your system to be out of whack. He said this was confirmed by staff and ODOT.

He said the second component is to determine if the zone change is appropriate, such as, do you have enough commercial zoned property in your community currently or enough residential zoned property currently and do you need additional. He said Bill Reid will explain why they feel it's appropriate. He said he will conclude with locational factors on why they believe the site has not being developed along Hwy 99W.

Mr. Reid with PNW Economics said he was charged with looking over a standard 20 year land use planning period, what type of residential land needs the Council is looking at, from the standpoint of for sale homeownership, whether it's attached row houses and townhouses or detached single family homes, but for sale homeownership. He said under conservative assumptions over a 20 year period the City is looking at the majority of new population, looking for homes for sale in the income ranges of \$35,000 annually to \$100,000 annually for a typical home price for sale, those households would be looking for homes that are priced as low as \$150,000, which would typically be an attached type of housing unit. He said on a high end, up to \$400,000 single family detached home. He said the single biggest growth in households for Sherwood for the next 20 years are in what we consider middle of the

road moderately priced homes, which throughout the metro area is being met with attached single family or detached with smaller lots in a higher density community type development or infill. He said over the next 20 years roughly 780 housing units for sale will be needed in Sherwood to meet that demand for households that will be looking to buy here. He said in looking at the supply of land inventory that's currently zoned HDR, approximately 8 gross acres available and believes some was publically owned, and said once you account for natural resource issues on site, he found going through your inventory there is under 3 acres of buildable HDR land. He said the amount of demand from households moving here is greater than the amount of land available to meet that need.

Mr. Cerbone said there is a need in the community and the type of people that are looking for this type of housing are small families looking for entry level and you will have people looking at downsizing, looking for smaller yards and people who are single. He said the other application tonight he will speak of had more concerns at the Planning Commission level, the text amendment, and said it is integral to the development plans to the site as the developer plans to build single family detached and attached homes on small lots. He said currently the PUD ordinance requires 5000 square feet minimum lots. He said there is a need for the use within the community, the location is next to HDR and is an area that is screened from the 99 corridor and it's not an area that many retailers or restaurateurs will want to open a business because of lack of access and visibility off the corridor. He said he believes this is why it has been vacant. He said it has good infrastructure up to it and has good access off 99. He said the high density residential, if you look at patterns in the area, makes sense based on what is adjacent to it. He offered to answer questions.

Mayor Middleton opened the public hearing to receive testimony.

Mara Broadhurst 28440 SW Ladd Hill Road, came forward and said she was not in favor. She stated Sherwood has never been fond of apartments but rezoning general commercial land to HDR and then not allow apartments is the most creative deterrent yet. She said building fees have always discouraged apartment builders in the past and developers prefer the more lucrative single-family lot. She said the first vision the Council voted for in this area was to rezone the land the Cedar Creek Apartments were later built on, from HDR to General Commercial. She said combined with the existing Handley General Commercial it would create 20 level acres capable to attracting prime general commercial use. She said this did not occur and the next approved plan for the Handley commercial was for two class A office buildings which are built and an elder care facility with its own parking provided on site below the building. She said this plan partially occurred leaving the areas 5 acres of commercial capable and ready to develop and provide services. She said we own commercial property in the neighborhood and the other rezones to general commercial have made development in this area hard to start. She said this will further stifle development and devalue the other commercial land in the process. She commented regarding rezoning eliminating their competition and said commercial development depends on location and needs other businesses to attract and make success of the area, especially at major intersections. She said a lot of public money was spent improving the 99W intersection, building the traffic circle and City paybacks for the built section of Cedar Brook Way. She said taking advantage of the distressed fire sale commercial price and infrastructure improvements, then rezoning and amending the code to allow the smallest single family lots possible to maximize profits makes this application feasible but not in the City's best interest. She said the policy she has always been told was no rezone from 99 commercial land to residential was warranted and any residential use on commercial land would be secondary or behind the commercial use. She said this rezone changes what the improvements were built for and the existing bonded for residential inventory, she asked does this impact the ability of land

already zoned residential in the area to develop as before? She said please make sure to protect those rights first before granting new entitlements. She said we received notice of the latest revision site plan for a 66 lots HDR PUD, 18 are detached on about 2200 square foot lots with 2 hanging off the wetland buffer side and access by the traffic circle. She said the remaining 48 are attached row houses on 1500 square foot lots and there are many street, sidewalk and setback variances the PUD will allow and new issues with the alley and substandard street connecting Meinecke and Cedar Brook Way. She said pulling on and off Meinecke Parkway from this street will confuse merging 99W traffic. She said clogging up the rest of Cedar Brook Way with parking might make up for the lost spaces from the McFall subdivision driveways and developing the traffic circle stub, but not provide for this new impact too. She said if this rezone is allowed, every advantage an HDR PUD can give a developer will be made use of. She asked if this helps the problems or does it benefit Sherwood? She said don't sacrifice a valuable commercial location when there are other lands zoned residential where the idea of smaller lots can be entertained. She said maybe the City will zone some of its 20 acres on Elwert for such a project or the land in the Brookman Concept Plan zoned MDRH. She asked wasn't any land in the recently annexed UGB land around Edy and Elwert zoned for a higher density where a smaller lot PUD could be allowed. She said this rezone will increase the areas problems and make them permanent, smaller lots should be allowed and planned for, but not here. She said please keep the best 5 level acres of commercial in the area and most likely to develop next to the greater benefit to the City and its citizens than an overcrowded subdivision in an overcrowded neighborhood with no amenities or retail services. She said the schools are studying the problems and asked what the police think of the overcrowding, will this need immediate calming? She asked how will we protect Cedar Creek from another plat that shows more houses on the wetland side of Cedar Brook Way. She said the Handley's donated pristine wetlands for all people to enjoy.

Mayor Middleton asked for other public testimony, with none received, he called the applicant forward for rebuttal.

Mr. Cerbone approached the Council and said he understand Ms. Broadhurst's concerns and said the area has been zoned commercial and it is not seeing any activity. He said typically people that want to maximize the value of their property rezone it to commercial and commercial can typically bring better values on the property. He said in this instance the where property is located, while it is flat, it doesn't have the access and visibility to the 99 corridor that would make it a viable commercial piece of property. He said the concerns about the PUD, those are valid and said a PUD is a process where an applicant goes through and request variances or adjustments to your standards. He said the text amendment that will be before the Council tonight, he believes addresses those concerns and provides the community more discretion on how you issue a PUD decision. He said currently you have clear and objective standards in your code that an applicant would need to meet. He said under the proposed revisions the applicant would actually have to demonstrate compliance with the Comprehensive Plan, which would be all applicable goals and policies that the reviewing authority sees appropriate to apply to the site. He said it affords the reviewing body, in this case the Planning Commission, more discretion in how you allow for those deviations from the code. He noted the applicant would have to demonstrate that the PUD is actually meeting the goals and policies and the vision for the community. He said the reason he wrote it this way is because he believes it gives the community more control over how that land use application is reviewed and approved within your community. He said under the current PUD approach there is some discretion that allows for deviations from the standards but it does not tie back directly to the Comprehensive Plan. He said he believes they have demonstrated that in a 20 year planning horizon the City has a need for high density residential. He stated high density residential is

best suited in close proximity to commercial services, clustered in other areas where you have that type of development and putting it on the edge of the urban growth boundary or out in an area that is undeveloped is not the most appropriate location for that area. He said you would then still be left with a vacant commercial property. Mr. Cerbone offered to answer Council questions.

Mayor Middleton asked for Council questions.

Councilor Butterfield asked if they had any preliminary idea of what type of facilities they will be building and what they look like.

Mr. Cerbone said we do and planned on showing them as part of the text amendment proposal as it is strongly tied to why they requested the text amendment. He said the minimum lot size and the removal from the PUD ordinance, we do have a lot layout and examples of the housing stock and said the other concerns we heard at the Planning Commission level, is there is an existing parking problem and the community is concerned and said the commercial neighbors in the area are concerned about how potential development could impact their parking. He said we have studied this and have this information as well.

Mayor Middleton asked for other Council questions for the applicant, with none heard, he closed the public hearing.

Council President Henderson asked staff to remind the Council and referred to page 129 of the Council packet, a map indicating zoning, and said one would wonder why general commercial did not go into the site where Cedar Brook is. She asked if there was a zone change request for the apartment complex that is there. She commented regarding street access and visibility from the road, and asked if staff recalled, as the Mayor implied it would have made more sense to put residential near residential and potentially put commercial services for those residents.

Michelle Miller said she reviewed the original notice of decision but does not recall whether there was a zone change request with it. Julia replied she has been with the City since 2005 and it has been zoned this way since that time, high density residential, and she doesn't recall in the background review, and doesn't believe there was a zone change but is not sure.

Ms. Henderson stated there was at one point a development that was going into that location that included an assisted living facility correct? Michelle replied, in 2008 we received an application for an independent living facility for seniors that would be on one site and that received approval from the Planning Commission and it was a conditional use permit. She said the property was acquired and bank owned and no development has occurred since and the land use approval expired last December.

Ms. Henderson stated and those types of senior facilities are not an approved use in a residential zone, correct? Michelle replied it would be considered a high density residential use, and Julia added it would be conditional and referred to the Springs being on high density residential zoned land.

Ms. Henderson referred to the tannery location and discussion followed and Julia stated this was a different issue.

Ms. Henderson referred to the two-step process this evening and asked if we are under a time schedule. Michelle replied yes and said this first zone change is quasi-judicial, which requires 120 days which expires on February 13th unless granted a continuance and we have to have a final decision by the local government by that date.

Councilor Folsom asked why the Planning Commission would recommend this without apartments. Mayor Middleton replied due to parking issues and they did not feel it would fit into that location.

Julia added her recollection was the market analysis that was done demonstrated a need for the type of product that they are proposing which is small lot single-family development and because of the way the process works they have to come back through the land use process for a PUD and there was some concern with, what happens if we change the zone and have sold this as a product that we generally support and then something happens and someone else wants to come in for an apartment development. She said it was a concern of how the timing would work and the fear that things could change and someone could come in with an apartment. Discussion followed with recapping of the Planning Commission meeting.

Ms. Folsom said she hears staff saying that economic factors, that the applicant did not believe they would support the apartments and they were fine with the recommendation. She asked if this is okay and if the City can do that.

Julia replied she doesn't know that the economic conditions did not support it, the economic conditions did not address it. She said yes, we can do conditional zone changes and have in the past, it is awkward. She provided an example.

Ms. Folsom referred to the previous application and it expiring and asked if we are changing the zone because we want it to develop and it's been sitting vacant as a commercial lot do we want to make it that restrictive and asked staff how they felt about the Planning Commission recommendation.

Michelle replied staff did not initially recommend that exception, the density would be the same regardless of what type of use and she believes in this circumstance providing the option, the option that is permitted in the code is the acceptable resolution to allow all varieties of housing types as the density doesn't change.

Ms. Folsom stated traffic and parking were the big concerns. Mayor Middleton commented that there was not a proposal for an apartment and said this was brought up later. Michelle replied the traffic was generated for the residential use with the density amount that could be put on that, regardless of whether it's apartments or high density residential, and she believes this is how the analysis was for that site, it was based on the number of trips and the number of potential units.

Ms. Folsom referred to commercial zoning and a map and asked if it continues down highway 99 along that corridor. The Council reviewed the map and Michelle stated the properties south, and referred to the Elk's and said this is low density residential and referred to other properties on the vacant commercial map and the zonings and also reviewed the City zoning map.

Council President Henderson asked when the Planning Commission considered traffic impact analysis and changing it from general commercial to residential traffic impact goes down, given what they have

proposed, correct? Julia replied, yes this is her understanding. She said the way the transportation planning rule works is you look at the reasonable worst case and you have to make sure you're not changing it. She stated it's not necessarily what they are specifically proposing, but they look at the reasonable worst case for the existing and for the proposed and that is where the numbers go down because the commercial impacts are potentially much greater than a residential impact.

City Engineer Bob Galati came forward and said what staff did when they initially received the application, they reviewed the traffic analysis and staff discussed this with the City's traffic engineer DKS and had them write a scope for the applicant. He said normally the traffic impact is looked at the PM peak hour and if you have a development that has a lot of families involved, when does the peak hour traffic flow really occurring. He said usually in that area because of the school locally, it's a morning hour commute time because in the afternoon kids get out about 3:30 pm and then the work traffic flow is later, which is still less than that peak hour during the afternoon. He said we had them write a scope and check the traffic flows during the morning hours so that we actually peaked out the maximum flow, not only from the local area but also for the pass-through traffic. He said it still came up less than what it would be with commercial.

Ms. Henderson asked if staff had a percentage of how much less. Bob replied it did not change by much and did not have the numbers with him. He said the impacts were not significant enough to warrant us to do something as far as a traffic impact project.

Ms. Henderson asked if during the Planning Commission process, if we had many people voicing concerns about this turning into residential versus staying general commercial. Michelle replied there was one person that lived in the neighborhood that was primarily concerned with the issues of parking and the schools and said she was neutral.

Councilor Clark said she read a letter from a resident that was concerned about the parking issue and asked when they apply for the PUD they will have to follow all the codes for parking. Michelle replied correct and clarified it will be reviewed first by the Planning Commission and they will review the application and review all parking issues and concerns specific to this site and there will be minimum parking requirements that they will have to meet. She said there are other alternatives that you can go beyond that because it is a PUD. She said the Planning Commission makes a recommendation to the Council and the Council will approve the overlay for the PUD and take another look at it again in the final development plan with the Planning Commission.

Ms. Clark said since it will go through that PUD, is there a necessity to put a cumbersome attachment of the "no apartment" on it or will that be addressed in the PUD process? Michelle replied that scenario is if the PUD doesn't go through and if there were to be another applicant or another developer coming in that could have apartments, it would not necessarily have a PUD process. Julia added if the zone where to change to HDR and the developer or owner went away and you did not have a caveat that said you can't have apartments and someone came in with apartments, you're still not going to have the parking issues that we have at the Cedar Brook Apartments, because we have changed the parking standards partly in response to the issues at Cedar Brook Apartments to now require guest parking.

Ms. Henderson said our code requires the developer to have a neighborhood meeting and said he is having this meeting next Thursday. She referred to the developer gathering information on concerns and this information not getting back to the Council and how this could change the nature of how the meeting

was advertised. Michelle replied this application was for a zone change and the text amendment and they held a meeting earlier this fall about that particular issue, not necessarily the PUD. She said they are moving forward with the PUD process and with that process before an application comes in to the City we ask that they hold a neighborhood meeting to gather input so they can maybe change their plan before they submit a formal application. She said they are moving ahead with the PUD process a bit ahead of schedule in terms of this process. She said they have already held a neighborhood meeting concerning the zone change and text amendment and that information is in your packet. Discussion followed regarding the neighborhood meeting and noticing.

Councilor Langer said he is hearing that the density and the traffic would be similar with the product the applicant presented at the Planning Commission as compared to the apartments. Michelle replied she believes so, and it's a similar amount of number of trips. He said he is also hearing the Council say not to include that restriction on the property for a variety of reasons, he asked if we have a copy of the ordinance prepared for tonight that doesn't include that restriction? Michelle replied the ordinance before the Council refers to the findings of the Planning Commission recommendation, and the language in Exhibit 1 includes, the first paragraph talks about what occurred at the Planning Commission and their recommendation. She stated if you were to strike that provision from the Planning Commission, Exhibit 1 that would clarify the issue.

Michelle read, "After considering the staff report, applicant testimony, and the public comments, the Commission recommended approval of the zone change, as proposed but with a limitation that the property could not be developed as multifamily residential, a use traditionally permitted in the High Density Residential zone". Staff commented that part of this could be struck from the exhibit to clarify the issue. It was asked if this language was in the ordinance and Michelle replied not, it's referred to as a finding in the Planning Commission recommendation.

Councilor Clark said she believes the concern is if this PUD doesn't come through, then their recommendation is they did not feel that an apartment complex was a use that they felt was attractive and what they are proposing is not that, but as Julia said, if we strike it and for some unforeseen reason their PUD doesn't go through, it opens us up for an apartment complex, which is what they don't want in their recommendation.

Michelle added in the general commercial zone apartments are a permitted use.

Ms. Folsom said she heard from staff that the Planning Commissions concern about apartments came later. Michelle replied though the course of deliberations and discussions. Ms. Folsom commented she is leaning towards striking it and referred to Sun Field Lakes and that development being more than 5 acres. Discussion followed regarding the current zoning which allows apartments and Councilor Langer said he doesn't see the value of jumping through hoops to restrict the land use when it's currently allowed and they are not asking to put in apartments. He said why have staff mess with it and let's just approve the zone change and move on.

Ms. Clark said the current zoning accepts the apartment and she doesn't know if the Planning Commission talked about this. She said considering it's already allowed, to strike it makes sense because we are not changing the way it is already coded.

Council President Henderson asked for clarification on appropriate motion language.

City Attorney Pam Beery stated to confirm, even though we have posted the ordinance with that, under the City Charter we have read the change aloud and that permits the City to make the change this evening.

The following motion was received.

MOTION: FROM COUNCIL PRESIDENT HENDERSON TO READ CAPTION AND ADOPT ORDINANCE 2014-001 STRIKING THE CONDITION LISTED IN THE THIRD PARAGRAPH OF THE STAFF REPORT THAT “THE PROPERTY COULD NOT BE DEVELOPED AS A MULTI-FAMILY RESIDENTIAL DEVELOPMENT” AND SO THE ORDINANCE IS AMENDING THE COMPREHENSIVE PLAN AND ZONING MAP TO REDESIGNATE A PARCEL FROM GENERAL COMMERCIAL TO HIGH DENSITY RESIDENTIAL, SECONDED BY COUNCILOR CLARK. MOTION PASSED 6:0, ALL PRESENT COUNCIL MEMBERS VOTED IN FAVOR, (COUNCILOR GRANT WAS ABSENT).

Mayor Middleton addressed the next agenda item and the City Recorder informed the Council the next business item is legislative and a public hearing statement is not necessary, but the Council should receive public comments.

B. Ordinance 2014-002 Amending Section 16.40 of the Zoning and Community Development Code relating to Planned Unit Developments

Michelle Miller Senior Planner came forward and presented information to the Council, (see record, Exhibit H). She said we are here to discuss the PUD changes that are proposed by the applicant. She said PUD standards generally require 5000 square foot minimum lot sizes for single-family homes in all zones. She noted the applicant is requesting that this provision be removed from the PUD standards. Michelle explained what a PUD is and said they are considered on 5 acres parcels that have some challenges to development compared to other available properties, they allow the applicant to apply flexible design standards that result in greater public benefit than a strict code enforcement of certain provisions. She said they provide an innovative plan for development, a variety of housing types and there needs to be areas of open space that are generally greater than what would be required in a standard subdivision of 15% for PUD's. She said the underlying zoning applies as well as the density applies to the standards as well. She said it was reviewed and approved by the Planning Commission and the City Council.

Michelle said some examples of PUD's currently in the community are Woodhaven, Arbor Terrace, Miller's Landing, Arbor Lane and Sherwood View Estates. She explained a map in the presentation of areas of vacant residential land that this could apply to in the future. She said we have the Brookman area and the properties within the City boundaries. She reminded Council the properties east of Murdock could also come in for a PUD and said staff has put some standards in place that limits that development as well as the density within the area would still apply. She said the criteria for the text amendment is basically the same, it looks at our transportation planning rules and comprehensive plan policies identified especially residential land use and availability of a variety of housing types.

She referenced the text amendment proposal and said for PUD's only, remove the minimum lot size and add language that they are not subject to the minimum lot size, but the applicant must demonstrate the

proposal meets the purpose and intent of the zoning and development code as well as the comprehensive plan.

Michelle said the Planning Commission recommended denial of the text amendment, they thought the 5000 lot minimum standard should be a policy decision made by the City Council and if the City Council were to consider approval of the text amendment they recommended considering a sunset provision, similar to ordinance 2004-007 which is exhibit 1-H in your materials. She said during deliberations they talked about Arbor Terrace and this is what they applied for that development and they thought this was a good use of the provision for reducing the minimum lot size and it was a product that was reviewed by the Planning Commission and the City Council.

She said before you tonight you have the proposed ordinance and staff has included a "sunset" provision that the Planning Commission talked about and you have the same exhibits that were in the earlier ordinance with the Planning Commission recommendation as well as the attached exhibits.

Mayor Middleton opened the public hearing.

Mike Cerbone with Cardno WRG came forward to speak on the proposed text amendment and said as stated earlier a zone change is something that can be measured. He said the text amendment is more of a value judgment. He stated they looked at the opportunity to provide for different housing opportunities from what the community currently has. He said Andy Tiemann, the contract purchaser responsible for developing the property is here tonight and will show the Council examples of the product.

Mr. Cerbone shared his personal experience with the Council on where he resides and the size and layout of his residence. He said currently the way the City's zoning code is set up it precludes the ability to do this type of residence in the community. He said currently the options in Sherwood are single family dwellings on a 5000 square foot lot or a condominium or a townhome. He said one of the things we looked at is how to reach our goal and we looked at how we could reduce the minimum lot size in the base zones. He noted this did not make sense as this is probably not what you want throughout the community. He said we want to give you as the decision makers for the community the most control over the decision as it happens and the PUD seemed like a good vehicle. He stated it limits it to the applications of lots that are 5 acres or larger, typically it limits it to properties that have natural resource issues or odd configurations. He said what we proposed to do with the text amendment by removing the lots size was to put as much decision making authority in your hands and this is why we tied it back to intent of the zoning code. He said we also proposed for it to be consistent with the comprehensive plan. He said the comprehensive plan is your goals and policies and is a broad policy document and it gives the Council latitude in interpreting what the document means and how it applies to each development.

He said if the Council approves the text amendment tonight, what we intend to do is submit a PUD and that PUD will go before staff for review and staff would interact with the applicant and maybe encourage revisions to the plan and then a public hearing before the Planning Commission would be held with notices sent to adjacent property owners.

Note: The City Recorder confirmed with staff the amount of time allowed for testimony for the legislative hearing, Julia indicated it was up to the Council as the testimony is coming from an applicant and said at the Planning Commission level the applicant is allowed 30 minutes like a quasi-judicial hearing.

The Council allowed the applicant to continue.

Mr. Cerborne continued and said the application would be posted and the community members could provide testimony in writing or attend the hearing. He commented regarding the processes and opportunities regarding the reviewing process and it resulting in a Planning Commission recommendation that then comes before the Council. He said the information would have regards to parking, building layout and esthetics and any deviations that maybe requested for a setback, they would have to be justified. He said he understood the concerns at the Planning Commission and they were concerned with approving this without understanding how it could impact the community and how it could apply to other properties in the community, he said he believes this gives the Council more control over what actually occurs in the community.

Mr. Tiemann approached the Council and said he is the project manager for DR Horton, who is under contract to purchase the property. Mr. Tiemann referenced a presentation (see record, Exhibit I) and the concept plan they are proposing and said they want to build single family detached and single family attached homes. He said to the east of the site are apartments and to the west are single family detached and we wanted to have a transition from the multi-family apartment development and have a single family attached along the apartments and further to the west have a single family detached. He said they plan on having a neighborhood meeting on Thursday to discuss the concept plan and if the text amendment is approved tonight we would like to move forward with the application for this PUD. He said when we originally looked at the site with the restriction of having a 5000 square foot lot we struggled with the ability to build a simple single family home because of this restriction. He said we wanted to get a baseline of what can be done on this site with HDR and no 5000 square foot amendment. He said this is a plan we came up with and they are condominiums. He said they are a builder that develops homes and sells, they don't rent. He said condominium we can build, we don't like to and provide an example of a project that could happen with HDR. He said we don't want to do this, but this will meet your code. He said similar to this site plan what they would like to do is a combination of front-loaded single family attached, alley-loaded single family attached and detached single family. He said on this site plan we showed how we met parking requirements and will go into detail with staff on our submittal of the PUD. He said this is a concept plan and we have met with staff and this is becoming more feasible with developing this site with this plan. He referenced the presentation (Exhibit I) and renderings of homes they would like to build and explained.

He said they are proposing 265 parking spaces and 66 homes so approximately 4 parking spaces per home. He stated the homes range from 1300-1500 sq. ft. 3 bedrooms and fee simple homeownership. He said they would like to move forward with the development this summer and start building in the fall. He said the text amendment should be approved and believes it allows flexibility and said long term any property with HDR will give them flexibility. He said they are currently building in Sherwood. He said a lot of the text amendment would not change anything as a PUD process is still needed to get variations. He explained it will reduce steps that a development has to go through and gave an example. He recommended the Council approve the text amendment and removed the cap of 5000 square feet. He said this could change as they will be having a neighborhood meeting and will meet with staff.

Mr. Cerbone commented on neighborhood outreach and said they held a meeting and had about 5 people in attendance and explained the feedback they received from the attendees, none of which had negative comments.

Mr. Tiemann added the proposed lot size for this plan would be 1500-2500 square feet and explained.

Councilor Henderson asked about open space requirements and Mr. Tiemann referenced the exhibit and explained and said they will look at adding amenities (playground equipment, park benches, etc.) to the open spaces and the detail will be in the PUD submittal, and said this plan has 15% open space.

Ms. Henderson asked for clarification the proposed parking spaces. He said there will be 77 on street spaces, 94 driveway spaces and 94 garage spaces. Comments were received regarding HOA and CCNR's.

Ms. Henderson commented regarding hearing concerns about parking in the Handley area and commented regarding a permitted parking district. Discussion followed regarding parking and she asked if he was certain that parking was allowed on both sides of the street. Mr. Tiemann replied and explained and referenced the exhibit. Discussion followed regarding parking, a permitted district and looking at the details and a solution in the PUD.

Councilor Clark asked about alley parking and Mr. Tiemann explained and referenced the exhibit and confirmed there was no parking in the alley, being 20 feet wide to meet fire requirements. He commented regarding the constraints of the site and explained.

Councilor Butterfield asked how the street width compares to the Woodhaven area. Julia replied she doesn't know what is proposed and said the details will be forthcoming and through the PUD process the City could indicate requirements if there was a concern.

Mr. Tiemann stated the road running north and south will be 28' wide allowing for 1 side of parking and 20' of clearance for 2 way traffic and fire and explained. He said Cedar Brook and Meinecke Road will remain the same width. Councilor Butterfield said his concern is parking on both sides of the road and explained issues with current neighborhoods allow 1 way traffic. Mr. Tiemann explained their proposal for parking.

Mayor Middleton opened the public hearing to receive testimony.

Gene Stewart approached the Council and said it seems like a good concept but he is concerned about whether the city has fulfilled their citizen involvement requirement under OAR 660-015 0000(1) which states "the general public, through the local citizen involvement programs, should have opportunity to review and make recommendation on proposed changes in comprehensive land-use plans prior to the public hearing process to formally consider the proposed changes" and reiterated the word "prior". He said this has not been done and the Planning Commission is not that body and the Council needs to look at what citizen involvement Goal 1 really is and if the City meets the requirement or not. He asked if the City attorney has an opinion on the requirements, he would like to see a written opinion made public.

City Attorney Pam Beery responded that he is correct the statewide goals envision, particularly Goal 1, envision citizen involvement, however the City has an acknowledged comprehensive plan that includes policies that address Goal 1, and that plan has been acknowledged by the Land Conservation and Development Commission and therefore the goals don't apply directly. She said the text amendment

findings that staff has presented are finding of consistency with the comprehensive plan so there is a hierarchy that we are required to meet. She said the policy question of the Council is whether we have adequate citizen involvement and this is a very different question and not something that should be addressed here.

Mayor Middleton called forward Jennifer Harris.

Jennifer Harris Sherwood resident came forward and explained her background being in HR and said she is speaking to something that she doesn't really understand completely. She said one of her concerns with this text change and what she has noticed within the last year or two coming to these meetings, is that the rule makers and changers tend to do what the rules and laws allow regardless of how they feel about it. She said by changing this text, while it might fit this particular development, and with a future development it doesn't fit, but you've approved it because it's written. She commented regarding hearing they have the ability to allow if for this development without actually changing the text so it doesn't have unintended consequences in the future. She said she doesn't know if this is an option for this particular development. She said she is a homeowner in the area who attended the Planning Commission meeting and while the apartment complex issue is an issue, she thinks the development she saw in the exhibit with condo's is not much different than apartments. She said she would prefer to see something more single family friendly and while she appreciates the speaker reference to his personal home, she doesn't think we have an influx of people wanting to come and live in Sherwood and believes we have young families looking to move to Sherwood for a better life and give their kids more, to have more open space. She said she doesn't know how the 5000 square foot lot fit into this and said Councilor Henderson spoke to many of her concerns. Ms. Harris referenced the 77 street parking spaces and they being filled up with visitors and dwellers and while a single load may have a garage, it's still a single driveway and most homeowners will probably be two parent working families. She commented regarding a single driveway with a garage may technically be two or three parking spots, chances are it's going to 1 or 2, because people will want to park on the street. She said she is fine with the zone change and understands the need for that, but she doesn't completely understand how the 5000 square feet issue works. She said she is concerned about the parking as it is an issue there and weekend drivers can see that.

Mayor Middleton asked the applicant if they wanted to provide rebuttal.

Mr. Cerbone came forward and stated the comprehensive plan is acknowledged and the code is articulated from the comprehensive plan and the code required us to host neighborhood meetings and they held a meeting. He said we discussed a text amendment and the zone change and showed different product types that could occur on the site and answered all the questions from those that attended. He said once we submitted our application and it was deemed complete the City mailed notice which provided an opportunity for community members to provide written comments into the record for both hearings this evening. He said there was a hearing before the Planning Commission allowing community members an opportunity to provide testimony and there's tonight's hearing. He said this is a lot of opportunity for public involvement in the process. He said he heard the concerns of Ms. Harris and said a simple way to think about what is before the Council tonight, if we developed without the text amendment and there is 30 pages of code that would apply to the site, if you adopt the text amendment, there are hundreds of pages that could potentially apply to the development.

He said in response to concerns of the lot size, one of the only ways we have in the State of Oregon to allow, reduce the barrier to home development, is through controlling the size of the house and the size of the lot. He said we don't have the ability to do what is called re-clusinary zoning and requires certain price points in Oregon, and one of the few ways you have the ability to allow homeownership to people in the community or for people to downsize, is by controlling the size of the lot or the home. He said we heard parking concerns and understand it and referred to the plan presented to the Planning Commission and said we know this is a big deal and are prepared to address it should the Council approve the amendment.

Mayor Middleton asked for Council questions.

Council President Henderson said she recalls the last time we did a text amendment with a sunset provision was for the Arbor Terrace development, correct and the sunset was a year. Julia confirmed and said this is her understanding was that it was for 1 year.

Ms. Henderson asked if issues came up that we didn't anticipate with having the sunset provision for a year. Julia said not that she is aware of. She said the issues that could come up, if she understands correctly, did anybody else come in, where there issues with the development. Julia stated, no, no one came in except for that developer and said someone could if you had this open and it was sunset'ed for a year, another development could come through the PUD process and was able to demonstrate that smaller lot sizes and a PUD was a good trade-off for the benefits they were providing to the community, it's possible. She said this did not occur with the Arbor Terrace and she is not aware of any issues through the development of the Arbor Terrace subdivision. She noted they had very strict design standards and design criteria through the PUD process and had questions through the process, but nothing she is aware of regarding the lot size.

Councilor Langer commented on the parking issue and said if the 77 street parking spaces are taken up by apartment residents that still leaves 188 which is 2.85 parking spaces per unit and asked if that number meets the parking requirement for our code. Julia responded yes. Mr. Langer stated it sounds to him that if there is a parking problem with the apartments, this development is actually a solution, he not sure why they are getting criticized for a parking problem.

Councilor Clark said she believes we are mixing up two topics and said we are talking about the PUD and the parking, we need to talk about the text amendment. She confirmed with staff the sunset provision in the ordinance is for 1 year, and it not only being for this development, it is a text amendment for the entire City. Julia confirmed yes and said as Michelle mentioned, this was based on the Planning Commissions original recommendation of denial, as they were concerned, but they discussed being open to the possibility. She said the Council could take the Planning Commission's recommendation and deny it or approve it with a sunset or without a sunset, she said these are the options immediately before the Council.

Councilor Folsom referred to Ms. Harris's comments and asked if we are ready as a community to accept lot sizes that are smaller than 5,000 sq. ft. She said she thinks she is hearing from the Planning Commission and others, not really. She commented regarding the text amendment and it being more subjective than it is currently. She asked staff if that is accurate, and Julia clarified more subjective than what? Discussion followed and Julia conclude that it gives a lot of flexibility and the ability to control the product, she referred to the Arbor Terrace development.

Councilor Folsom referred to Mr. Stewart's comments regarding citizen involvement, and the response from the City attorney. She commented there has been a lot of citizen involvement but has also heard from the applicant that we have offered the citizen involvement but there hasn't been more than 5 people at the meetings. She asked staff to confirm.

Julia stated what Ms. Folsom has heard is correct and added that the notice in Sherwood is 1000' from the property which is larger than any other city in Oregon.

Ms. Folsom commented regarding the citizen involvement opportunities and it being a choice if people attend.

Mayor Middleton commented that he is not in favor of losing the 5000 square feet and we have plenty of areas with smaller lots that have been built out. He commented regarding the driveways and currently having sidewalks blocked because cars are backed in two at a time or inability to use garages due to stored stuff. He commented regarding being in favor of the current 5000 square foot lot size. Discussion followed.

Councilor Folsom referred to the success of Arbor Terrace PUD. She shared her experiences with HDR areas and issues with sidewalks and parking.

City Attorney Pam Beery called for a point of order and asked if the Mayor was finished taking public comment.

Mayor Middleton confirmed and closed the public hearing.

Councilor Butterfield gave a scenario of purchasing land and going through the process and asked if it could be done within a year. Julia replied yes, but as Michelle indicated earlier, there are not a lot of vacant pieces of land in the City. She said you are also limited by the density and explained and said to go through the PUD process, it is feasible. Tom added that they only have to make an application for a PUD within a year period. Discussion followed and Tom explained the process.

Council President Henderson asked if we were up against the 120 day clock. Michelle said not for this issue as it's a text amendment and legislative.

Councilor Henderson commented regarding continuing the business to the 18th and if there would be any benefits to that, she commented regarding the lot being undeveloped for many years and commented regarding the number of 66 lots being the applicants make it or break it. She asked if any more information would come to light if we waited two weeks and asked for more information. She referred to Woodhaven being a PUD and said she believes a PUD is a useful tool. She commented regarding getting vacant land back on the tax rolls, commented regarding being a family community and some not being able to afford a \$400,000 house. She commented regarding wanting to be flexible and provide businesses an opportunity to develop without sacrificing the things we appreciate about the neighborhoods we live in or visit.

Councilor Clark referred to the second line of the ordinance and commented regarding high density discussion and commented regarding a sunset provision, and suggested an amendment of removing

language of, "all zones" and replacing it with "high density residential zones". Michelle said yes and that is up to the Council's discretion and you can limit it to high density, you can limit the lot size. Discussion followed and Michelle explained language options. Discussion followed regarding a possible two week postponement or moving forward tonight.

Council agreed to amend the ordinance to state "high density residential zones".

MOTION TO AMEND: FROM COUNCILOR CLARK TO AMEND ORDINANCE 2014-002 BY STRIKING "IN ALL ZONES" AND REPLACE WITH "IN HIGH DENSITY RESIDENTIAL ZONES", SECONDED BY COUNCILOR LANGER, MOTION PASSED 6:0, ALL PRESENT COUNCIL MEMBERS VOTED IN FAVOR, (COUNCILOR GRANT WAS ABSENT).

The City Recorder asked to do a roll call vote on the ordinance as amended. Procedural discussion followed on the amendment and vote. The following motion was then received on the amended ordinance.

MOTION: FROM COUNCILOR CLARK TO READ CAPTION AND ADOPT THE AMENDED ORDINANCE 2014-002, SECONDED BY COUNCIL PRESIDENT HENDERSON, MOTION PASSED 6:0, ALL PRESENT COUNCIL MEMBERS VOTED IN FAVOR, (COUNCILOR GRANT WAS ABSENT).

Mayor Middleton addressed the next agenda item.

8. CITIZEN COMMENTS

Selma Broadhurst, Sherwood resident, came forward and petitioned the City to remove the unattractive cement posts (monuments) on the corners of the main streets of the City. She said they are obtrusive and suggested other more appropriated uses. She said they are dangerous and she has witnessed incidents.

City Manager Joe Gall responded that he has heard concerns and said City Engineer Bob Galati is prepared to address the issue and noted if the monuments are removed there are lighting issues and staff can explore that further if the Council provides that direction. Discussion followed with the monuments serving a purpose and Bob stated they hold up the lights and signage and there are electrical vaults underneath them. He said he can do a technical analysis and get a cost estimate and get back to the Council.

Jan Hatcher, Sherwood Resident, approached the Council and commented on the intersections at 12th and Gleneagle and 12th and Sherwood Blvd. and said apparently people can't see the signs and asked for some rumble strips so she can hear the traffic coming on off of Hwy 99. She suggested a flashing light or crosswalk, said it was dangerous and commented regarding others with disabilities that live in the area. Mayor Middleton said we will be addressing this in the TSP.

Gene Stewart came forward and commented on the Sherwood Senior Center and said Teresa can put together a report showing the number of people using the facility, averaging 150 people per day and said it would be beneficial for the Council to see. He said it is being used more and more, rentals are increasing and hopefully we will have a work session to get some policies put in place. He commented

regarding their website and a potential name change and said the problem is the proposal is coming through a steering committee and asked who is in charge and who can make these decisions.

Mayor Middleton addressed the next agenda item.

9. COUNCIL ANNOUNCEMENTS

Councilor Clark talked about struggles and the importance of encouragement and how it can change the atmosphere and she identified ways to give encouragement in our community. She acknowledged Sweet Story as a small business in Sherwood that needs help moving into a new location. She encouraged people to go to kickstart.com and support this cause. She also encouraged people to support the Egg Hunt for Hope for Brianne Dannon, a Sherwood High School teacher who is a breast cancer survivor. She encouraged everyone to be encouraging of one another.

Councilor Langer spoke of the recent tragedy at the YMCA with the passing of an infant and wanted the community to understand that the situation had nothing to do with the YMCA staff and it was due to a previous health condition of the infant. He said his thoughts go out to the family and all those involved.

Councilor Folsom commented on the Senior Center and how it is being used in our community. She encouraged people to attend the Sherwood High School Choir fundraiser tomorrow night at 7:00 pm. She noted the Cultural Arts Commission now has all 9 members.

Council President Henderson commented on the recent incidents in our community involving drugs, most recently a drug called 25i which is a synthetic form of acid. She encouraged people to talk to teenagers or students in classroom about the consequences of drugs and said she does not have all the answers but can't ignore four overdoses in a week. She suggested putting together a good team to deal with this issue before it is too late. She asked the community for ideas for outreach and/or drug education. She commented on the ground breaking of the Community Center and said it will be an amazing facility.

Mayor Middleton thanked everyone for their support in getting through the meeting materials.

Mayor Middleton addressed the next agenda item.

10. CITY MANAGER AND DEPARTMENT REPORTS

City Manager Gall acknowledged that the City received the GFOA Award again this year and congratulated Finance Director Julie Blums and her staff. He said the Charter Review committee has been working hard and asked if Council President Henderson had anything to add.

Council President Henderson stated that the Charter Review committee would like use of outside legal counsel to consider their recommendations.

Mr. Gall said that he could identify outside counsel and someone that is familiar with Charters and said that our City attorneys are in favor of us having a separate opinion. He said there will be an opportunity in February for the citizens to weigh in on some proposed changes. He noted the committee has been mostly spending time on election issues for the May ballot.

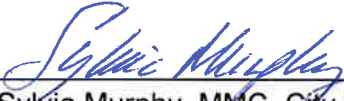
Council President Henderson stated that the Charter Review Committee would like to have a joint work session with the Council sometime in February.

Mayor Middleton addressed the next agenda item.

11. ADJOURN

Mayor Middleton adjourned the meeting at 9:58 pm.

Submitted by:


Sylvia Murphy, MMC, City Recorder


Bill Middleton, Mayor